



**USAID | JORDAN**  
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**MILLENNIUM CHALLENGE CORPORATION  
THRESHOLD COUNTRY PROGRAM (TCP) JORDAN  
QUARTERLY REPORT  
April 1 – June 31, 2009**

**I. SUMMARY OF PROGRESS AND HIGHLIGHTS**

**Local Governance Development Program**

All technical assistance components of Local Governance Development Program (LGDP) were concluded during the quarter. With technical improvements and support to municipalities accomplished, the program focus shifted to finalizing all Special Incentives Fund (SIF) infrastructure projects. SIF construction projects are on target. Most heavy equipment and related documentation were delivered to LGDP municipalities in the previous quarter; this quarter saw the final delivery of a few equipment items. Roughly one half of SIF priorities were composed of heavy equipment for improving service delivery. It is expected that all SIF funds will be expended on time and within budget.

Copies of the study, “Factors Affecting Women’s Success in the Municipal and Parliamentary Elections of 2007 in Jordan” and the “Three-year Strategic Plan” of the Women’s Knowledge Network (Nashmiyat) were produced in Arabic and distributed to the Jordanian National Commission for Women (JNCW) and the ministries of Municipal Affairs (MOMA) and Planning and International Cooperation (MOPIC). More copies of the Women’s Knowledge Network Three-Year Strategic Plan were also distributed to Jordan’s 93 municipalities. The Nashmiyat website was officially registered in the name of JNCW. LGDP also sponsored a major public event to mark the conclusion of the Community Development Component’s technical assistance activities. During the event, Municipal Local Development Plans were launched and officially presented by the nine LGDP mayors to the ministers of Planning and International Cooperation and Municipal Affairs.

In terms of potential public-private partnership projects that continued during the quarter, New Bereen, Al Hassa, Greater Jerash, and Greater Madaba have all made contacts with potential investors. They have also contacted the Ministry of Municipal Affairs to assist with financial support to cover public shares in the proposed projects.

The Municipal Local Government Component also finalized the *Municipal Financial Management Manual*, the *Municipal Procurement Manual*, and the *Municipal Human Resource Management Manual*. All manuals were developed in accordance with international standards and best practices. Copies were distributed to LGDP municipalities, Greater Karak Municipality, Greater Zarqa Municipality, Greater Irbid Municipality, the Ministry of Planning and International Cooperation, the Ministry of Municipal Affairs and USAID. Moreover, the

municipal websites were registered and activated with related municipal staff trained on the management and updating of website content.

The LGDP Property Disposition Plan was approved by USAID and implemented by the administrative staff. The majority of the items were distributed to LGDP municipalities in accordance with their need.

### Customs Administration and Modernization Program

The Jordan Customs Administration Modernization Program reached its completion date on January 15, 2009 with all components meeting or exceeding targets

## II. ACTIVITIES COMPLETED OR CHANGED

### Special Incentive Fund

**Heavy Equipment:** All heavy equipment items were delivered to the nine municipalities. Training of municipal staff on the usage of all equipment was completed and maintenance manuals with lists of spare parts were all delivered to partner municipalities.

**Construction:** All SIF construction projects are now on target or ahead of schedule. Delays occurring during previous months due to the winter season and design changes for some construction projects have been offset with good progress during the months of April, May and June. Most projects will be completed by mid August, all prior to end of LGDP

The following table shows the progress achieved up to the end of this quarter in small scale construction projects for the nine municipalities.

Project Title/Type	Nine LGDP Municipalities								
	Shafa	Burqush	Rabiet Al Kura	Fuheis	New Bereen	Greater Jerash	Greater Madaba	Hassa	New Shobak
Municipal Building			90%						
Municipal Building Extension		100%	100%	80%	100%	100%			
Municipal Hall Renovation							95%		
Multi-purpose Hall	75%	80%						85%	84%
Community Center	85%								
Bayt Al Fuheis Extension				68%					
School Walls					100%				
Park					100%				
Bus Station Extension								84%	

All LGDP construction projects were designed to take into consideration access for the disabled, energy saving measures, and environmental friendly standards. Top international standards and quality materials that ensure preserving energy and making use of natural light

and alternative energy were used. For example, all sites were installed with energy saving lights. LGDP also ensured proper ventilation for all buildings by utilizing the maximum space for placing windows to provide healthy working environment for municipal employees and community members.

**Program Components:**

Activity name	Comments	Completion Date
<b>Component 1: Elections Participation and Gender Integration</b>		
Women's knowledge Network (WKN) for all female council members established and activated	- Create WKN website and email group and register in the name of JNCW.	Completed, May 2009
<b>Component 2: Community Development</b>		
Opportunities for citizen engagement in local level governance and decision making increased	- Produce nine Municipal Local Development Plans (MLDPs) with citizens' participation including translation	Completed, May 2009
Support LDUs in the nine municipalities to operationalize selected MSPW strategies	- Assist LDUs in preparing and operationalising Local Development Plans (LDP)	Completed, May 2009
Enhance coordination between LDUs and CBOs/NGOs in implementing operational activities in selected municipalities.	- Conclude implementation of selected activities in the nine municipalities	Completed, May 2009
Support opportunities for local communities and municipalities to exchange experience and learn from one another	- Launch Municipal Local Development Plans (MLDPs) in a Public Event	Completed, April 2009
<b>Component 3: Public-Private Partnerships (PPPs)</b>		
PPP projects identified and explored in 9 municipalities	- Finalize the feasibility studies for proposed PPP projects including translation.	Completed, May 2009
<b>Component 4: Municipal Local Government</b>		
Management of municipal finances improved	- Finalize the development of unified and comprehensive financial and procurement models	Completed, April 2009
	- Conduct a 3-day orientation seminar on financial and procurement manuals for key LGDP counterparts and key	Completed, April 2009

Activity name	Comments	Completion Date
	personnel from selected municipalities	
Computerization of municipal functions	- Launch the beta version of the municipalities' websites	Completed May 2009
<b>Component 5: Project Management</b>		
Operational M&E system in place	- Implement overall LGDP M&E system framework	Ongoing
Develop mechanism for Replication of Lessons Learned	- Captured/Reviewed LLs with Component leaders and counterparts	Ongoing

### III. PLANNED ACTIVITIES

#### Special Incentive Fund

LGDP will continue the implementation of 16 small-scale construction projects as per planned schedules. All projects are expected to be completed by August, 2009.

#### Program Components

All technical activities pertaining to Components 1-4 were concluded. Component 5 continues its ongoing tasks of M&E, document editing/production/distribution, and reporting to key stakeholders.

Activity name	Planned Date	Comments
<b>Component 5: Project Management</b>		
Operational M&E system in place. Documenting and reporting on achievement of results continues until August 09.	August 2009	- Continue the implementation of overall LGDP M&E system framework
Develop mechanism for Replication of Lessons Learned (LL).	August 2009	- Capture/Review and document LLs with Component leaders and counterparts

### IV. RESULTS, MONITORING AND REPORTING

In this quarter a major decision was made by HM King Abdulla II regarding Jordan's approach to decentralization. According to the King's decision, the decentralization plan will be implemented first at the governorate level to ensure cooperation and coordination between central government and local authorities, and to ensure more citizen involvement in development-related decisions. The task of preparing the decentralization plan and related regulations was assigned to the Ministry of Public Sector Development. This decision put to rest the previously proposed "regions plan" which suggested dividing the country into three regions with Amman, Aqaba and Petra excluded.

To build on the momentum of the King's guidance, Al Fuheis (one of LGDP's municipalities) - in coordination with the Ministry of Municipal Affairs (MOMA) - took the initiative of organizing and hosting a conference for the Kingdom's 93 municipal mayors. During the conference workshops, mayors discussed means to encourage public participation in the decision-making process, gender integration, the Municipalities Law and municipal master plans. Moreover, the mayors highlighted the importance of establishing a "Union of Jordanian Municipalities" to stimulate local and sustainable economic development and enhance municipal administrative performance. Initial analysis and suggestions for a Union were provided by LGDP to the MOMA in 2008. Participants stressed the importance of municipal administrative and financial independence and called for greater jurisdiction in order to achieve local development. The Minister of Municipal Affairs inaugurated the event on behalf of the Prime Minister; he stated that the government would study all the points proposed during the meeting in order to come up with unified vision for the decentralization plan and discuss it with local communities to ensure public acceptance.

Another major event was the second annual US-Arab Cities Forum which took place in Amman in June 2009. USAID/Jordan was a major sponsor of this forum. Mayors from Arab countries and the USA, including the nine LGDP mayors, discussed over three days several issues relating to good governance at the municipal level and means to increase public participation in the decision making process.

In the past quarter, LGDP concluded its technical assistance activities. Nine Local Development Voluntary Committees were established in LGDP municipalities with an average of 19 members each, 40% of whom are women. A Local Development Plan for each municipality was developed. Feasibility and market studies for Public Private Partnership Projects were finalized and distributed to related municipalities and national stakeholders. Municipalities have already started contacts with private investors and negotiations resulted in the registration of companies to start implementing PPP projects. LGDP also finalized the development of the Municipal Financial Management and Procurement Models and Manuals; copies were delivered to MOPIC, MOMA, USAID and the municipalities.

Over the two-year program's duration, 260 municipal staff, councilors and community members attended training on local development planning, 100 municipal employees and cooperative members received training on public private partnership, 280 participants attended training on service improvement practices, 78 municipal staff received training on human resource management, 120 on financial management and 170 municipal staff were trained on different computer skills and internet usage. Moreover, Youth Volunteerism Program recruited over 200 males and females who received training on volunteerism, citizenship and issues related to political and civil rights. Also, over 200 women council members received training on leadership skills, communication skills and strategic planning. Approximately 20 municipal staff members were trained on safe use and maintenance of heavy equipment.

During this quarter LGDP also intensified coordination with other donors to ensure sustainability and accumulation on results achieved. In April, LGDP met with representatives of the World Bank/French Agency for Development funded Regional and Local Development Program (RLDP). They stated that their "Financial Management Information System Request

for Proposal” will explicitly state that bidders use the Financial Management Model, Manual and recommendations accomplished by LGDP. They confirmed that in the first phase of their FMIS implementation and for a period of up to six months they would use the models and manuals produced by LGDP accompanied by training needs assessment and capacity building program. Moreover, LGDP provided copies of all produced reports and related materials to WB/AFD RLDP staff and to EU staff working on designing future projects in the area of local governance.

## V. FUNDS FLOW

Bilateral Instrument	Start and End Dates	Bilateral Obligation \$		Disbursements to date \$	Accrued Expenditures as of 06/30/2009 \$
(e.g. SOAG or DAGA)	10/16/2006-03/31/2009	25,000,000	-----	\$21,717,212	\$22,774,930
<b>Sub-obligations: List Major implementing Partners</b>					
Implementing Partner	TCP Component Number	Total Estimated Cost (TEC)	Amount Sub-Obligated to date	Disbursements to date \$	Accrued Expenditures as of 06/30/2009
ARD	1. Local Governance Development Program	\$16,483,438	\$16,483,438	\$ 13,237,979	\$ 14,295,697
SUNY	1. Local Governance Development Program	\$ 16,562	\$ 16,562	\$ 16,562	\$ 16,562
ARD	2. Customs Administration Modernization Program	\$ 8,500,000	\$ 8,500,000	\$ 8,462,671	\$ 8,462,671
<b>TOTALS</b>		\$25,000,000	\$25,000,000	\$ 21,717,212	\$ 22,774,930
Amount Available for sub-obligation				Comments:	
Of which uncommitted:				Amount available for programming	

IV. ANNEX: LOCAL GOVERNANCE RESULTS REPORTING TABLE

Key: Municipalities = Munips; Investments = Invmt; Development = Devmt

	Performance Indicator Name	End Result	Baseline as of May ' 07	FY:	07	07	08	08	08	08	09	09	09	09	Notes
				Qtr.	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1	Decisions made and Local Development Plans (LDP) developed in participation with citizen's committees in each of the nine targeted municipalities.	9 local devmt plans	0	Target	Municipal selection	Municipal selection approved by GOJ	9 Planning Workshops 9 Oversight Committees elected	4 Local devmt Voluntary Committees established	9 Local devmt Voluntary Committees established	4 LDPs developed	9 LDPs developed	9 LDPs developed	--		The process involved LDVCs and youth groups working closely with munips
				Actual	Yes	Yes	Yes	Yes	Yes	On Target	On Target	9	--		
2	One public-private sector devmt project initiated in each of the nine municipalities.	9 projects	0	Target	Municipal selection	Municipal selection approved by GOJ	Baselines established in 9 identified munips	Potential PPPs identified at the 9 munips.	Institutional capacity assessed and institutional framework agreed in 3 munips	9 feasibility assessments PPP Toolkit completed; Training delivered	PPP strategy completed in 3 munips as model for remaining munips	9 public-private sector devmt projects initiated	--		-The PPP toolkit is completed -9 feasibility assessments conducted -Public share for 3 projects ensured by MOMA -Private partners were identified for 2 projects
				Actual	Yes	Yes	Yes	Yes	Yes	On Target	Yes	9	--		



	Performance Indicator Name	End Result	Baseline as of May ' 07	FY:	07	07	08	08	08	08	09	09	09	09	Notes
				Qtr.	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
3	Improved financial, fiscal and human resource management systems installed in at least six of the targeted munips.	6 munips	0	Target	Municipal selection	Municipal selection approved by GOJ	Municipal Capacity Overviews (MCOs) conducted	Scope of Works for Technical Assistance approved	Financial and HR Management analysis completed, TA started	Implement. of hardware and software solutions begun	Systems in 3 munips installed	Systems improved in 6 munips	Systems improved in 6 munips		GOJ endorsed LGDP's recommendations to improve Jordan's municipal Financial and HR systems -Manuals developed -MOMA will decide on needed training and will oversee installation
				Actual	Yes	Yes	Yes	Yes	Yes	Yes	On Target	On Target	6		
4	10% increase in voter participation in 2007 elections	10% increase from 2003	Municipal (M): 479,117 (2003) Parliamentary (P):2,352,496 (2003)	Target	n/a	M: 10% increase	P:10% increase	--	--	--	--	--	--		
				Actual	n/a	M:134% increase	P: 5.6% increase	--	--	--	--	--	--		
5	10% increase in number of women voting in 2007 elections	10% increase from 2003	Municipal (M): 493,856 (2003) Parliamentary (P): 1,191,589 (2003)	Target	n/a	M:10% increase	P:10% increase	--	--	--	--	--	--		
				Actual	n/a	M: 88% increase	P: 7% increase	--	--	--	--	--	--		

	Performance Indicator Name	End Result	Baseline as of May ' 07	FY:	07	07	08	08	08	08	09	09	09	09	Notes
				Qtr.	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
6	10% increase in number of women registered for 2007 elections	10% increase from 2003	Municipal (M): 229,863 (2003) Parliamentary (P): 703,565 (2003)	Target	n/a	M: 10% increase	P: 10% increase	--	--	--	--	--	--		
				Actual	n/a	M: 129% increase	P: 3.7% increase	--	--	--	--	--	--		
7	10% increase in the level of citizen satisfaction with the delivery of services in at least 6 of the 9 munips	BL+ 10%	To be measured using selected customer feedback measurement tools	Target	Municipal selection	Municipal selection approved by GOJ	Municipal Capacity Overviews (MCOs) conducted	Wider-spread municipal service improvement program designed	Quality Service Improvement Training initiated	Intensive Quality Service Improvement Programs started in 3 munips	Intensive Quality Service Improvement Programs completed in 2 munips, plans prepared for 6 munips	Intensive Quality Service Improvement Programs (QSIP) completed in 6 munip, 10% increase in citizen satisfaction achieved	--		-Tools to measure citizens' satisfaction were developed -Baseline surveys for selected services concluded Munips had acquired the know-how to measure citizens' satisfaction
				Actual	Yes	Yes	Yes	Yes	Yes	Yes	Yes	QSIP installed in 6 munips	--		

	Performance Indicator Name	End Result	Baseline as of May ' 07	FY:	07	07	08	08	08	08	09	09	09	09	Notes
				Qtr.	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
8	10% increase in municipal invmts in public services	BL+ 10%	968,661.00 JD (Based on 2007 Actual Budget figures for Capital Expenditures in Public Services in 6 targeted munips	Target	Municipal selection	Municipal selection approved by GOJ	Municipal Capacity Overviews (MCOs) conducted	Municipal Financial Management Scope of Work Approved	TA activities started and work plans developed	Analysis of current financial situation and identification of improvement opportunities completed	Solution Design and Implement. completed	10% increase in municipal invmts in public services achieved	10% increase in municipal invmts in public services achieved		Calculated based on 2008 Municipal Closing Accounts JD2,423,523.71
				Actual	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes 150.19%		
9	10% increase in tax recovery rates in at least six of the targeted munips	BL+ 10%	401,681.30 JD (Based on 2007 Actual Budget Property Tax Data in 6 targeted munips)	Target	Municipal selection	Municipal selection approved by GOJ	Municipal Capacity Overviews (MCOs) conducted	Coordination with MOF/UNDP property tax project started	Property Tax TA Scope of Work approved	Analysis of property tax situation completed, improvement opportunities identified	Solution Design and Implement. started	10% increase in tax recovery rates achieved in 6/9 munips	10% increase in tax recovery rates achieved in 6/9 munips		Calculated based on 2008 Municipal Closing Accounts JD654,038.90
				Actual	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes 62.83%		

INDICATOR DESCRIPTIONS

1. Local develop planning will be undertaken by Local Development Units (LDUs) established and activated in the nine municipalities as per their mandate set by Ministry of Municipal affairs; the Local Development Voluntary Committees (LDVCs) provide support through volunteers representing council members, NGOs, and the private sector. The nine targeted municipalities had no local development plans at the outset of local governance development program.
2. Potential public-private sector development projects will be identified and initiated in consultation with the municipalities and citizens through the Municipal Strategic Planning Workshops (MSPWs). The nine feasibility assessments for the potential projects will include a pre-feasibility assessment stage. Projects' ideas that prove to be viable during the pre-feasibility stage will undergo a complete feasibility study. Investment opportunities will be explored and initiated for feasible projects. To ensure the sustainability of the partnership projects, institutional capacity building will be provided to the nine municipalities. Therefore, LGDP considers the baseline situation for PPP projects at the nine municipalities as zero and will assess the feasibility of new projects identified as priorities by each municipality
3. Improving financial, fiscal and human resources management systems will include the procurement and installation of hardware and software solutions designed to solve the prevailing limitations of the current manual systems and contribute to the computerization of key municipal activities in key functional areas such as; municipal administration, service delivery, human resources and finance in order to improve overall municipal performance, delivery of public services to the citizens, accounting and budgeting practices, collection of municipal revenues as well as transparency and accountability mechanisms. Additionally, the hardware and software solutions will be accompanied with financial management, and human resources management technical assistance.
4. This indicator measures the increase in the number of citizens registered to vote in elections (municipal and parliamentary) in 2007. Results reflect an increase in public participation and representation in the electoral process, including impact of the Municipal Law, passed in April 2007, which reduced the minimum voting age from 19 to 18 and introduced a 20% quota for women. *Records of Ministry of Municipal Affairs* show that (1,123,046) individual registered to vote in municipal elections 2007 comparing to (479,117) individual in 2003, while *records in Ministry of Interior* show that (2,454,686) individual registered to vote in parliamentary elections 2007 comparing to (2,325,496) individual in 2003.
5. This indicator measures the increase in number of women registered to vote in elections (municipal and parliamentary) in 2007. The results of this indicator show the effect of introducing gender-sensitive measures(20% women quota), and reduction of voters age under the new 2007 Municipal Law and the higher political will in Jordan towards increased women’s involvement in public and political life. *Records of Ministry of Municipal Affairs* show that (926,959) woman registered to vote in municipal elections 2007 comparing to (493,856) woman in 2003, while *records of Ministry of Interior* show that (1,275,315) woman registered to vote in parliamentary elections 2007 comparing to (1,191,589) woman in 2003.
6. This indicator measures the increase in the number of women voting in elections (municipal and parliamentary) in 2007. The results of this indicator show the effect of introducing gender-sensitive measures (20% women quota )and reduction of voters age under the 2007 Municipal Law and the higher political will in Jordan towards increased women’s involvement in public and political life. *Records of Ministry of Municipal Affairs* show that (572,328) woman voted in municipal elections 2007 comparing to (229,863) woman in 2003, while *records of Ministry of Interior* show that (729,825) woman voted in parliamentary elections 2007 comparing to (703,565) woman in 2003.
7. Citizen satisfaction is the level of meeting the needs of citizens (youth, males and females) through delivering enhanced public services. *Customer feedback measurement tools will be used to measure achieved customer satisfaction.*
8. This indicator measures municipal capital investments in public services which include spending on road construction and road signs, water drainage conduits and sewage pipes, street lighting and traffic lights, procurement of garbage collection equipment and vehicles, and construction of parks and gardens. Such investments aim at improving the delivery of public services. *Baseline and measurement data are based on municipalities’ records; specifically 2007 actual budget figures.*
9. This indicator measures the increase in property tax collection rates through improved assessment and collection methods and conducting property tax training workshops for municipal councils and financial staff in the targeted municipalities. *Baseline and measurement data are based on municipalities’ records; specifically 2007 actual budget figures.*